

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
W. R. GRACE & CO., et al.,<sup>1</sup> ) Case No. 01-01139 (JKF)  
) (Jointly Administered)  
) Objection Deadline: 12/21/04 at 4:00 p.m.  
Debtors. ) Hearing Date: Only if necessary

**SUMMARY OF APPLICATION OF NELSON MULLINS RILEY & SCARBOROUGH,  
L.L.P. FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF  
EXPENSES AS SPECIAL COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE  
FOURTH INTERIM PERIOD, FROM OCTOBER 1, 2004 THROUGH OCTOBER 31,  
2004, FOR THE QUARTER OF OCTOBER 2004 – DECEMBER 2004**

Name of Applicant:

**Nelson Mullins Riley & Scarborough,  
L.L.P.**

Authorized to Provide Professional Services to:

**W. R. Grace & Co., et al., Debtors and  
Debtors-in-Possession**

Date of Retention:

**July 19, 2001**

Period for which compensation and  
reimbursement is sought:

**October 1, 2004 - October 31, 2004**

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Amount of Compensation sought as actual,  
reasonable, and necessary:

**\$20,570.50 for the period**

Amount of expense reimbursement sought as  
actual, reasonable, and necessary:

**\$76.25 for the period**

This is a x monthly \_\_\_ interim \_\_\_ final application.

The total time expended for the preparation of this application is approximately **(6.70)** hours, and the corresponding estimated compensation *that will be requested in a future application* is approximately \$ **(790.00)**.

Prior fee applications:

		<b>Requested</b>		<b>Approved</b>	
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses
October 17, 2001	July 19, 2001 – July 31, 2001	\$28,316.50	\$234.68	\$22,653.20	\$234.68
October 17, 2001	August 1, 2001- August 31, 2001	\$69,119.50	\$1,196.84	\$55,295.60	\$1,196.84
October 17, 2001	May 1, 2001- June 30, 2001	\$113,762.50	\$2,155.05	\$91,010.00	\$2,155.05
December 19, 2001	October 1, 2001- October 31, 2001	\$67,906.50	\$1,348.82	\$54,325.20	\$1,348.82
January 23, 2002	November 1, 2001- November 30, 2001	\$26,792.00	\$168.41	\$21,433.60	\$168.41
February 26, 2002	December 1, 2001- December 31, 2001	\$24,895.00	\$673.51	\$19,916.00	\$673.51
May 1, 2002	January 1, 2002- January 31, 2002	\$21,009.00	\$147.52	\$16,807.20	\$147.52
June 18, 2002	February 1, 2002- February 28, 2002	\$24,897.00	\$122.30	\$19,917.60	\$122.30
June 18, 2002	March 1, 2002 – March 31, 2002	\$17,003.00	\$52.22	\$13,602.40	\$52.22
June 25, 2002	September 1, 2001- September 30, 2001	\$31,625.50	\$488.83	\$25,300.40	\$488.83
June 25, 2002	April 1, 2002-April 30, 2002	\$17,827.00	\$345.71	\$14,261.60	\$345.71
June 26, 2002	January 1, 2002- March 31, 2002	\$62,909.00	\$322.04	\$62,909.00	\$322.04
July 2, 2002	May 1, 2002-May 31, 2002	\$27,070.00	\$177.64	\$21,656.00	\$177.64
August 14, 2002	June 1, 2002 – June 30, 2002	\$15,496.50	\$178.39	\$12,397.20	\$178.39

August 29, 2002	July 1, 2002 – July 31, 2002	\$18,481.50	\$225.82	\$14,785.20	\$225.82
September 3, 2002	July 19, 2001 – September 30, 2001	\$129,061.50	\$1,920.35	\$129,061.50	\$1,920.35
September 3, 2002	October 1, 2001 – December 31, 2001	\$119,593.50	\$2,190.74	\$119,593.50	\$2,190.74
September 20, 2002	April 1, 2002 – June 30, 2002	\$60,393.50	\$701.74	\$55,739.00	\$701.74
October 8, 2002	August 1, 2002 – August 31, 2002	\$10,363.00	\$169.79	\$8,290.40	\$169.79
October 30, 2002	September 1, 2002- September 30, 2002	\$11,114.00	\$221.89	\$8,891.20	\$221.89
November 27, 2002	July 1, 2002 – September 30, 2002	\$39,958.50	\$615.50	\$35,771.00	\$615.50
December 11, 2002	October 1, 2002- October 31, 2002	\$8,498.50	\$75.28	\$6,798.80	\$75.28
December 26, 2002	November 1, 2002- November 30, 2002	\$4,241.00	\$117.29	\$3,392.80	\$117.29
February 6, 2003	December 1, 2002 – December 31, 2002	\$9,298.50	\$97.20	\$7,438.80	\$97.20
March 4, 2003	January 1, 2003- January 31, 2003	\$6,026.50	\$24.91	\$4,821.20	\$24.91
March 27, 2003	February 1-February 28, 2003	\$5,473.50	\$52.58	\$4,378.80	\$52.58
April 8, 2003	October 1, 2002- December 31, 2002	\$22,038.00	\$289.77	\$22,038.00	\$289.77
May 9, 2003	March 1, 2003- March 31, 2003	\$5,424.00	\$64.16	\$4,339.20	\$64.16
September 9, 2003	January 1, 2003 – March 31, 2003	\$16,924.00	\$141.65	\$16,924.00	\$146.65
August 22, 2003	April 1, 2003- April 30, 2003	\$7,868.00	\$64.88	\$6294.40	\$64.88
September 9, 2003	May 1, 2003 – May 31, 2003	\$8,143.50	\$88.14	\$6,514.80	\$88.14
September 5, 2003	June 1, 2003 – June 30, 2003	\$17,705.00	\$291.20	\$14,164.00	\$291.20
September 9, 2003	April 1, 2003 – June 30, 2003	\$33,716.05	\$444.22	\$33,716.05	\$444.22
September 6, 2003	July 1, 2003 – July 31, 2003	\$36,321.00	\$241.39	\$29,056.80	\$241.39
March 4, 2004	August 1, 2003 – August 31, 2003	\$27,487.00	\$932.61	\$21,989.60	\$932.61
March 4, 2004	September 1, 2003 – September 31, 2003	\$38,442.00	\$139.47	\$30,753.60	\$139.47
February 25, 2004	July 1, 2003 – September 31, 2003	\$102,250.00	\$1,313.47	\$102,250.00	\$1,313.47
March 8, 2004	October 1, 2003 – October 31, 2003	\$9,723.50	\$154.31	\$7,656.00	\$154.31
March 8, 2004	November 1, 2003 – November 30, 2003	\$5,845.00	\$119.01	\$4676.00	\$119.01
March 8, 2004	December 1, 2003 – December 31, 2003	\$4465.50	\$ 4.08	\$3572.40	\$4.08
March 10, 2004	October 1, 2003- December 31, 2003	\$19,968.00	\$277.40	\$19,968.00	\$277.40

May 12, 2004	January 1, 2004- January 31, 2004	\$16,534.50	\$1,260.61	\$13,227.60	\$1,260.61
May 12, 2004	February 1, 2004 – February 28, 2004	\$9,591.50	\$32.50	\$7,673.20	\$32.50
May 12, 2004	March 1, 2004 – March 31, 2004	\$6,325.50	\$105.67	\$5,060.40	\$105.67
June 7, 2004	January 1, 2004- March 31, 2004	\$32,451.50	\$1,398.78	\$32,451.50	\$1,398.78
June 7, 2004	April 1, 2004- April 30, 2004	\$6,062.00	\$20.78	\$4,849.60	\$20.78
July 6, 2004	May 1, 2004- May 31, 2004	\$12,927.00	\$67.97	\$10,341.60	\$67.97
August 12, 2004	June 1, 2004 – June 30, 2004	\$12,228.00	\$372.90	\$9,782.40	\$372.90
August 17, 2004	April 1, 2004 – June 30, 2004	\$31,217.00	\$461.65	Pending	Pending
September 7, 2004	July 1, 2004 – July 31, 2004	\$19,020.00	\$216.31	\$15,216.00	216.31
September 24, 2004	August 1, 2004 – August 31, 2004	\$3,945.50	\$89.18	\$3,156.40	\$89.18
October 22, 2004	September 1, 2004- September 30, 2004	\$9,741.50	\$284.46	\$7,793.20	\$284.46
October 28, 2004	July 1, 2004 – September 30, 2004	\$32,707.00	\$589.95	Pending	Pending

The Nelson Mullins Riley & Scarborough, L.L.P. attorneys who rendered professional services in these cases during the Fee Period are:

Name of Professional Person	Position with the applicant	Number of years as an attorney	Department	Hourly billing rate	Total billed hours	Total compensation
J.N. Plowman	Partner	25 years	Real Estate	\$315.00	27.50	\$8,662.50
Bernie F. Hawkins, Jr.	Partner	14 years	Environmental	\$280.00	.70	\$196.00
Newman J. Smith	Partner	26 years	Environmental	\$275.00	27.90	\$7,672.50
Joseph M. Melchers	Partner	14 years	Environmental	\$250.00	3.00	\$750.00
Rose-Marie T. Carlisle	Of Counsel	21 years	Environmental	\$250.00	6.30	\$1,575.00
J.E. Holmes	Of Counsel	11 years	Real Estate	\$250.00	2.00	\$500.00
Betsy J. Burn	Associate	4 Years	Bankruptcy	\$190.00	2.50	\$475.00

Grand Total for Fees: \$19,831.00  
Blended Rate: \$283.71

The Nelson Mullins Riley & Scarborough, L.L.P. paraprofessionals who rendered professional services in these cases during the Fee Period are:

Anne R. Price	Paralegal	2 years	Bankruptcy	\$100.00	7.20	\$720.00
Karla Lucas	Project Assistant	1 year	Environmental	\$65.00	.30	\$19.50

Grand Total for Fees: \$739.50

Blended Rate: \$98.60

Matter Number	Matter	Total Hours	Total Fees Requested
02399/06003	Beaco Road Site	1.70	\$388.00
02399/06030	Aiken-Title V Permit App. Iss	1.20	\$300.00
02399/06031	Li Tungsten	1.60	\$400.00
02399/06032	Charleston	1.00	\$275.00
02399/06091	Fee Applications	10.10	\$1,295.00
02399/06092	Laurens County Property	3.60	\$890.50
02399/09007	Alchem Chemical Co.*	58.20	\$17,022.00
<b>TOTAL</b>		<b>77.40</b>	<b>\$20,570.50</b>

### Expense Summary

<u>Description</u>	<u>Amount</u>
Telephone	\$36.80
Photocopies	\$19.55
Fed Ex	\$19.90
<b>Total</b>	<b>\$76.25</b>

\*Matter number 02399/09007 is a new matter number. This file involves the real estate work that Nelson Mullins was approved to handle on behalf of the Debtors pursuant to the Amended Retention Order entered August 23, 2004. The attached invoices do include time and expenses billed prior to the Fourth Interim Period. These invoices were inadvertently omitted from the prior fee application. The attached invoices are for work done on behalf of the Debtors for the time frame of May 1, 2004 through October 31, 2004.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
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W. R. GRACE & CO., et al.,<sup>2</sup> ) Case No. 01-01139(JKF)  
) (Jointly Administered)  
)  
Debtors. )

VERIFICATION

Bernard F. Hawkins, Jr., after being duly sworn according to law, deposes and says as follows:

1. I am a partner with the applicant firm, Nelson Mullins Riley & Scarborough, L.L.P and I am a member in good standing of the bar of the State of South Carolina.

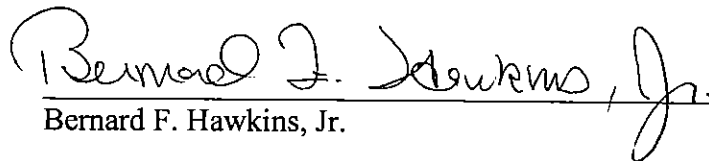
2. I have personally performed certain of, and overseen the legal services rendered by Nelson Mullins Riley & Scarborough, LLP as special counsel to the Debtors in environmental-related litigation issues and real estate transactions and am thoroughly familiar

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<sup>2</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

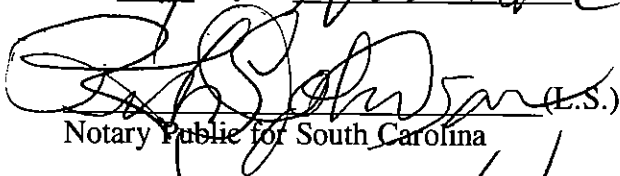
with all other work performed on behalf of the Debtors by the lawyers and other persons in the firm.

3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief.

  
Bernard F. Hawkins, Jr.

SWORN to and subscribed before me

this 29 day of November 2004

  
Notary Public for South Carolina

My Commission Expires: 9/3/09